of LPG in those places where they have applied for?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) In line with the existing policy, 90 LPG distributorship with 42 in Urban/rural areas have been included in the LPG Marketing Plan, 1996-98 for Kerala.

(b) Dealer Selection Board for making selection of the dealership/distributorship for the locations advertised, has not yet started making selection. Therefore, no LPG distributorship has yet been appointed for any of the above locations included in the LPG Marketing Plan -1996-98 for Kerala.

(c) Applications of Kerala State Civil - Supplies Corporation will be considered by the Dealer Section Board (Kerala) alongwith the applications of other eligible candidates as per policy.

LPG Distributorship at Nalanda

2554. SHRI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether LPG distributorship has since been/ given at Nalanda;

(b) if not, what are the details of the progress made in this regard, so far; and

(c) by when LPG distributorship is likely to be given?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) No, Sir.

(b) and (c) M/s. Bharat Petroleum Corporation Limited has advertised one LPG distributorship for Nalanda "on 30-6-1998 under Open (Women) category." It generally takes 6-12 months for allotment of the dealership/ distributorship after issue of the advertisement.

Allocation of Naphtha for Godavari Power Project

2555. SHRIMATI JAYAPRADA NAHATA: DR. Y. LAKSHMI PRASAD:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government propose to allocate additional 60000 MT Naphtha for Godavari Power Project at Kakinada for running of gas turbine units;

(b) if so, when would it be sanctioned; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) A request has been receiverd from M/s Spectrum Power-Generation Ltd. for allocation of an additional quantity of 6000 MTPA of Naphtha for their 208 MW Godavari Gas Power Project at Kakinada.

(b) and (c) Under the liquid fuels for power policy, a power capacity of 1500 MW was allotted to Andhra Pradesh against which fuel linkages have been made.

In the meeting of the High Powered Board held on 1.7.1998, the following modifications in the Liquid Fuel Policy for Power Plants have been approved:—

(i) The existing ceiling capacities allocated to various States would apply only to Naphtha. This would be in addition to the FO/LSHS linkages already given.

(ii) States would, however, be free to contract for new power projects on FO beyond the existing linkages. Taking into account the environmental impplications, it will be mandatory for such new FO based power plants beyond the existing linkages to use Integrated Gasification Combined Cycle (IGCC) technology, or any other technology that would bring

sulphur content to within acceptable limits.

(iii) Already, LSHS is on OGL and this freedom would be extended for non-traditional fuels like condensate and orimulsion subject to actual user condition.

(iv) However, there would be no obligation for Oil PSUs to give fresh linkages for any new projects, except Naphtha based projects within a ceiling of 12000 MW and projects based on other fuels for which linkages have already been issued.

The modified policy enabbles State Governments to promote power plants on fuels other than Naphtha without any quantitative rstriction, Additional requirement of naphtha has also to be accommodated within the revised policy.

Private Participation in Exploration Activities

2556. SHRI KRISHNA KUMAR BIRLA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have taken a decision to speed up necessary action for encouraging private participation for both Indian and foreign exploration activities;

(b) if so, the details of the fresh steps taken in this direction;

(c) whether the exploration activities of the ONGC are not found satisfactory; and

(d) if so, the reasons therefor and efforts taken to boost exploration activities by ONGC?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) In keeping with the Policy of Govenrment of India for encouraging Pvt. participation to suplement the activities of National Oil companies by both Indian and foreign private companies in exploration activities, Government of India has been inviting offers from these companies from time to time. On the basis of offers received since 1992 Government of India has earned Production Sharing Contracts for 15 exploration blocks. In addition to the above, to increase the pace of exploration in the country and to encourage Pvt. participation, Government of India has announced New Exploration Licensing Policy. The major incentives provided under NELP to Pvt. companies include—

—Level playing field to National Oil companies viz-z-viz Private Oil companies.

—Freedom to contractors for maketing of crude oil & gas in domestic market.

—Royalty Payment for oil at the rate of 12.5% for onland and 10% for offshore areas with 5% for first 7 years of production for deep water areas beyond 400m bathymetry.

—Abolition of cess

—Exemption from payment of import duty on goods imported for petroleum operations.

—Abloition of signature, discovery or production bonuses.

—Seven year tax holiday from date of commencement of Commercial Production.

—Fiscal staility to. contractor during entire period of contract.

(c) No Sir.

(d) Does not arise.

Disputed Tax Liability of the ONGC

5557. DR. ALLADI P. RAJKUMAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased te state:

(a) whether it is a fact that the disputed tax liability of the ONGC works out to some 2157 crores, as reported in the Indian Express, dated 18th June, 1998;